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**Before the
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001**

COMPLAINT REGARDING POSTAL SERVICE DOCKET # MC2012-26
OFFERING ENHANCED SERVICES PRODUCT FOR COMPETITIVE PO BOXES

COMMENTS OF Mail-Express
07/28/2012

I am the owner of Mail-Express an independent Mail and Parcel Center (MPC) located in Mount Dora, FL that is a Commercial Mail Receiving Agency (CMRA).

I must first take issue with the Post Office mischaracterizing Post Office Boxes (POB) as a "Competitive Product" with our private mailboxes (PMB). The characteristics of a POB have traditionally been:

- Identified with an address of PO Box ###, City, State, Zip
- Only able to receive US Mail
- Lower cost than PMB

In contrast, the characteristics of a typical PMB include:

- Identified with a street address, # or PMB#, City, State, Zip
- Notification of mail or package receipt
- Able to receive US Mail, private parcel services (FedEx, UPS, DHL, etc.), private couriers, etc.
- May sign for certified and registered mail received by a box holder, placing the mail into their box, thereby saving them from having to go the Post Office to sign for the item themselves

ONLY by unfairly adding NEW services do the POB actually become a "Competitive Product" to the PMB. Specifically, the following are NEW services:

1. Allowing POB customers to use the Post Office's street address—a distinction that has ALWAYS existed between POB and PMB
2. Providing POB customers notification of mail delivery—a distinction that has ALWAYS existed between POB and PMB

3. Allowing POB customers to receive packages delivered by private parcel services—a distinction that has ALWAYS existed between POB and PMB

The POB provide a utilitarian means for people to receive mail at a reasonably low cost. For people that are homeless or forced to frequently move from location to location, the low cost POB can provide their only reliable means to receive mail. Increasing rates for POB to cover costs of additional NEW services is unconscionable in the current depressed economic state of the economy with high unemployment and foreclosure rates.

These NEW services will create additional stresses on the Post Offices that will have to deal with:

- Screening package deliveries from private parcel services to determine if the recipients are current box holders
- Providing a secure storage area for those packages
- Moving those packages to a secure storage area
- Placing notifications in boxes for those packages
- Retrieving those packages when the box holders come to the counter to claim them
- Notifying POB holders of having received mail

The USPS has already violated antitrust laws by abusing its government monopoly to unilaterally impose conditions on the MPCs and their PMB customers. Specifically, the USPS has unlawfully imposed the following conditions:

- Requiring the CMRA to handle mail for former box holders for six months; new postage must be applied to their mail for it to be forwarded—former POB holders have their mail forwarded at NO cost, as can any other non-CMRA address
- Not allowing PMB box holders to file a change of address—POB holders can file change of addresses, as can any other non-CMRA address
- Not allowing free mail forwarding for PMB box holders—POB holders can use the free mail forwarding service, as can any other non-CMRA address

Rather than trying to alter POB to compete with the PMB, the Post Office needs to reassess its relationship with the MPCs. USPS customers shipping and receiving their mail at MPCs relieves the pressures on the staff at the Post Office without the USPS having to pay for physical facilities or for personnel.

Federal Express, UPS, and DHL have all recognized the value of having the MPCs sell their shipping services. Like the USPS, they provide daily package pickup; however, they go much further by offering substantial discounts to the MPCs.

Most MPCs shun shipping via the USPS due to the lack of discounts offered to them by the USPS. The minimal discounts offered for commercial base and commercial plus would not allow a business to remain financially viable.

In our store we offer USPS shipping only as a last resort when the customer can't afford FedEx or UPS. We could not stay in business if any significant part of our business was USPS shipping.

Rather than making its business more efficient and streamlined, the USPS has historically taken advantage of its position as a part of the federal government to create products and services that it markets at predatory prices below costs, subsidized by other products and services.

The flat rate boxes are a good example. Those packages can be sent across the country containing up to 70 pounds for \$5.35 to \$15.45, depending on which box; it is unrealistic to believe that the pricing reflects the true cost of handling the package.

While the private parcel shippers have learned how to track packages, clearly the USPS has not. I regularly check the shipping report that Endicia.com provides for our mailing. The quarterly statistics vary from about 8% to 15% of our trackable packages being scanned in route. Interestingly only about 85% of our trackable packages show having been delivered; we presume that the packages were actually delivered but the delivering carrier did not scan them.

As to average delivery times, First Class Mail is only slightly longer than Priority Mail (3.7 days versus 3.1 dates). For the quarter, we had a Priority Mail package that took 11 days to be delivered. Every quarter's reports are similar.

A few months ago I sent a Priority Mail package to a business about 20 miles away. I called the business after four mail delivery days had passed and found that they hadn't received it. I tracked the package online and found that it ended up in Ohio! About a week after it was shipped it was finally delivered.

A retired Postal Employee opined that regardless of whether there is an electronic barcode label on the package or not, a person manually keys in the zip code for each parcel. If they mis-key the zip code, the package gets routed to the wrong part of the country. If this is true, the added cost of these human mistakes is likely very significant in the overall operation of the USPS.

Clearly the USPS is not capable of providing the products and services that they are currently offering. They should not be allowed to add any NEW services until they can adequately provide the current ones. They especially should not ever be allowed to add NEW services that predatorily attack Mom and Pop businesses that are already struggling in the poor economy. Further, the USPS must be forced to change its antitrust violating policies placed on PMB.

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